

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

INCOME TAX REFERENCE No 51 of 1984

For Approval and Signature:

Hon'ble MR.JUSTICE R.K.ABICHANDANI and
MR.JUSTICE R.BALIA.

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1. Whether Reporters of Local Papers may be allowed to see the judgements?
2. To be referred to the Reporter or not?
3. Whether Their Lordships wish to see the fair copy of the judgement?
4. Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 of any Order made thereunder?
5. Whether it is to be circulated to the Civil Judge?

COMMISSIONER OF INCOME TAX

Versus

GUJARAT STATE ROAD TRANSPORT CORPORATION

Appearance:

MR MIHIR H. JOSHI FOR MR MANISH R BHATT for Petitioner
SERVED BY RPAD for Respondent No. 1

CORAM : MR.JUSTICE R.K.ABICHANDANI and
MR.JUSTICE R.BALIA.

Date of decision: 17/02/97

ORAL JUDGEMENT

(per R.K.ABICHANDANI, J)

1. The Income Tax Appellate Tribunal, Ahmedabad has referred for the opinion of this court the following question under Section 256(1) of the Income Tax Act, 1961:

"Whether, on the facts and in the circumstances of the case, the Appellate Tribunal has been right in law in confirming the view taken by the Commissioner of Income-tax (Appeals) in holding that the assessee is entitled to exemption under section 11 read with section 2(15) of the Income Tax Act, 1961."

2. The question referred to us is directly covered by the decision of the Supreme Court in C.I.T. vs. Andhra Pradesh State Road Transport Corporation reported in 159 ITR 1, in which it was held that the Andhra Pradesh State Road Transport Corporation had its predominant object of carrying out a charitable purpose and not to earn profit, since the amount left over after utilisation for the purpose set out in Section 30 of Road Transport Corporation's Act was to be made over to the State Government for the purpose of road development, which was an object of general public utility and therefore the said Corporation was entitled to the exemption claimed by it under the Act. Applying the ratio of the said decision to the present case, we hold that the Tribunal was right in confirming the view taken by the C.I.T. (Appeals) in holding that the assessee Gujarat State Road Transport Corporation - was entitled to exemption under Section 11 read with Section 2(15) of the said Act. The question referred to us is therefore answered in the affirmative and against the revenue. The reference stands disposed of accordingly with no order as to costs.
